



**Office of the Assistant Deputy Under Secretary of  
Defense  
(Logistics and Materiel Readiness)  
Materiel Readiness and Maintenance Policy**



# Product Support Goal

## Warfighter Combat Capability

**Ensure a Ready and Controlled  
Source Capable of Providing  
Combat Ready Weapon Systems  
Anytime and Anywhere Efficiently  
and Effectively.**





# What Is “Partnering”

- ❖ Partnering is a Logistics Sustainment Philosophy involving a Cooperative Agreement among:
  - Program and/or System Support Manager
  - Original Equipment Manufacturer and/or other Private Sector Firm[s]
  - Service Maintenance Depot[s]
- ❖ DoD's Goals for Partnering include:
  - More Responsive Product Support
  - Increased Facility Utilization
  - Improved Depot Processes and Technology
  - Reduced Cost of Ownership

***Partnering is a Cooperative Effort  
Not a Competitive Engagement***



# When Should We Partner?



**GOAL:** Leverage Innovative Concepts of the Private and Public Sectors to Support the Warfighter at the Best Value for the Department of Defense and the Taxpayer



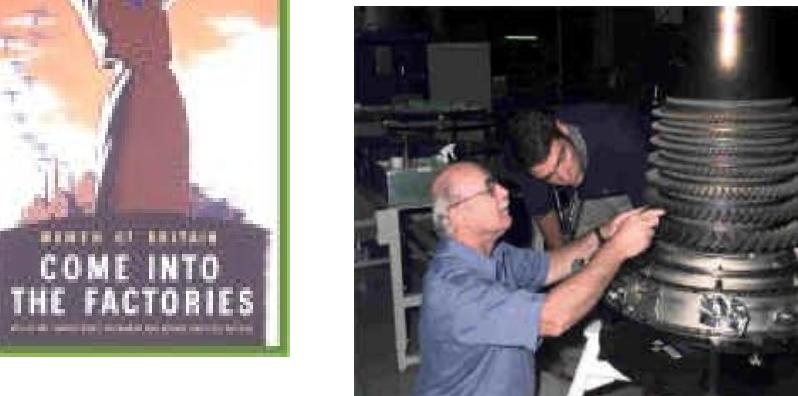
# Available Depot Capabilities

***Depot Capabilities that are available through partnering:***

**Manufacturing** - Including the fabrication of parts, assembly of components, final assembly, and painting of end items.



**Repair** - Including diagnostics, refurbishment, overhaul, and rebuild.



**Technical Services** - Including testing and analysis, repair process design, and in-service engineering.



# All Stakeholders Can Benefit from Depot Maintenance Partnering

## DoD Program Manager:

- Avoid Investments in Duplicative Capabilities
- Permit Single-Point Accountability
- Compliance with Statutory Constraints

## Warfighter:

- Improved Logistical Support
- Improved Responsiveness
- Technology Infusion
- Increased Reliability

## Commercial Firms:

- Access to Process Permits
- Minimize Process Flows
- Long-term Agreements
- Avoid Investment in Duplicative Capabilities

## Organic Depots:

- New Investments
- Preserve Skilled Workforce
- Enhance Operating Efficiency
- Access to Technical Support

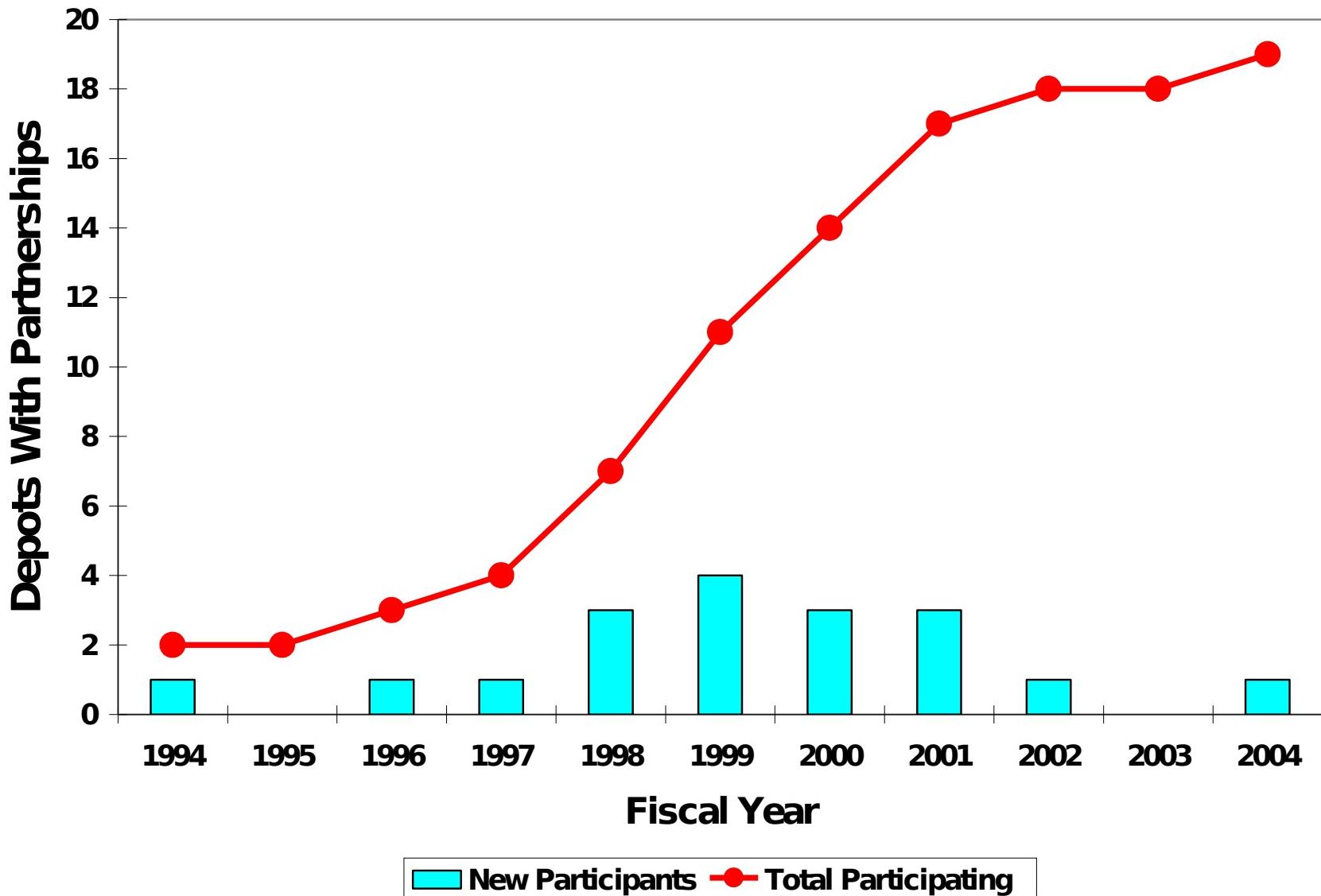


# Partnering is a PBL Enabler

- ❖ **Depot maintenance partnerships can be an effective mechanism for fully implementing a Performance Based Logistics strategy, while complying with Title 10 requirements**
- ❖ **Strategy: When the PBL contractor subcontracts an appropriate portion of the depot maintenance workload to a public sector maintenance depot, this support provides:**
  - **Compliance with core logistics and the 50 percent limitation**
  - **Single point accountability and responsibility in the PBL contractor**

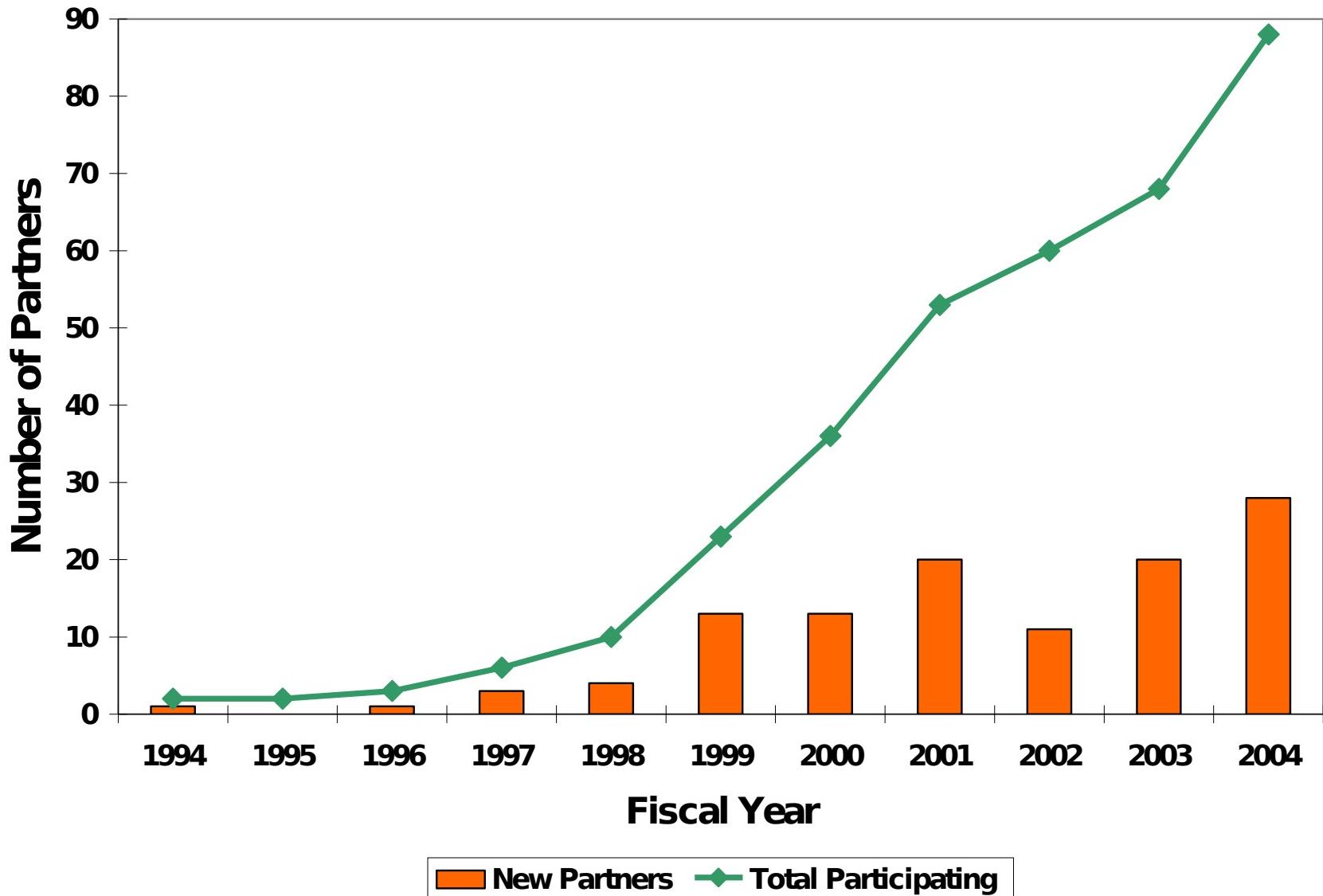


# Growth in Partnering Depots



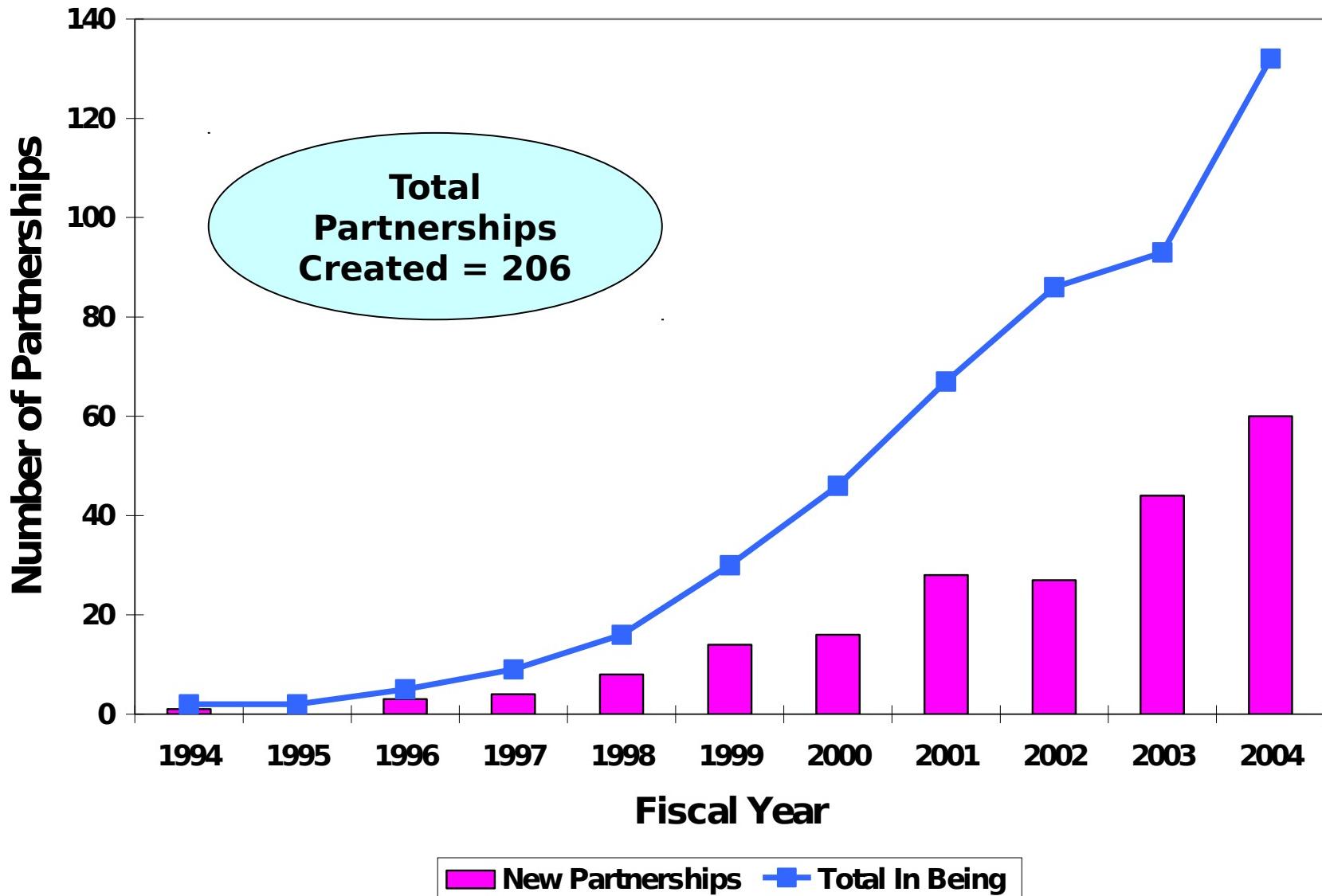


# Growth in Industry Partners





# Growth in Partnerships





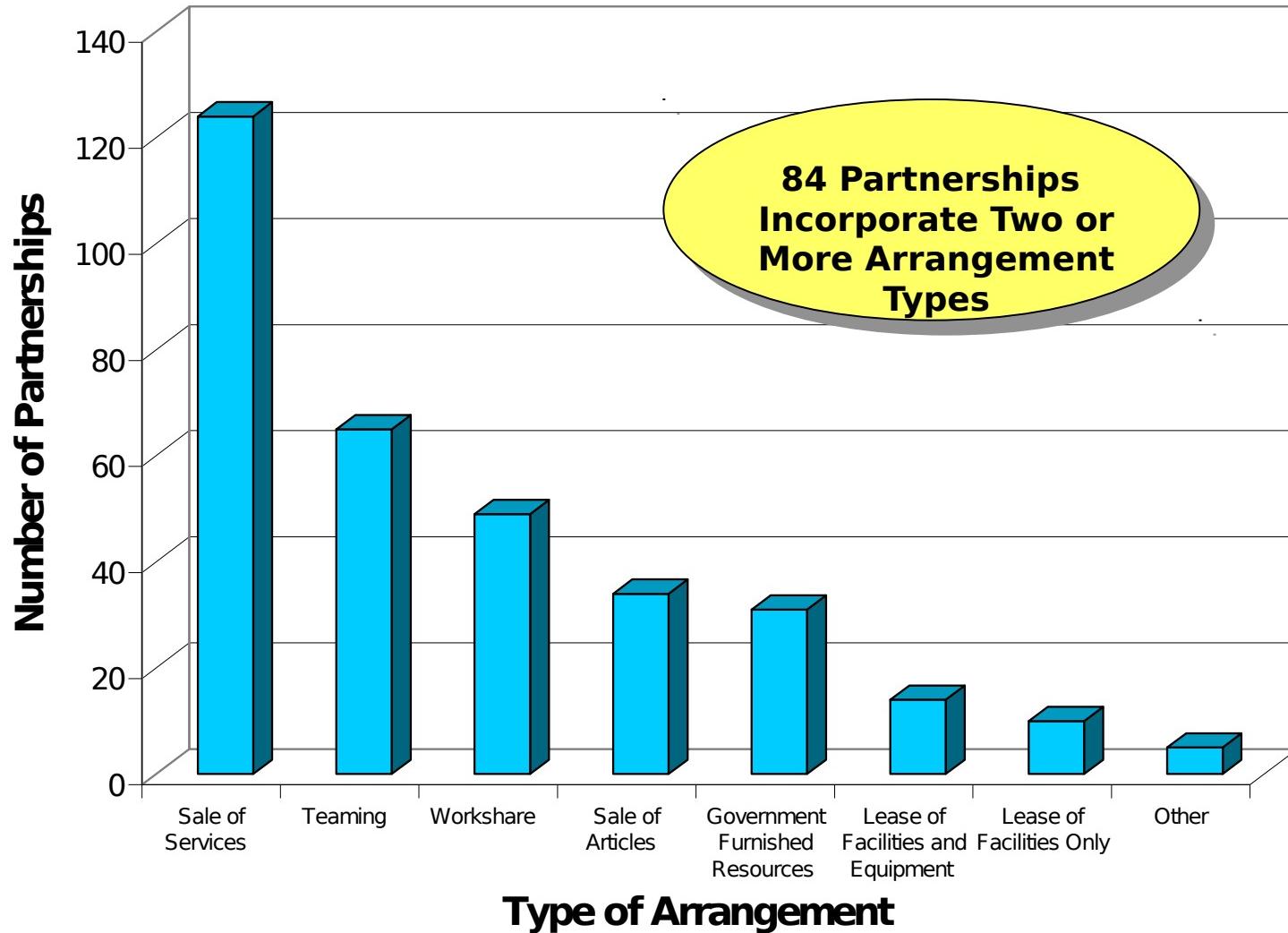
# Depot Maintenance Partnerships Can Take Many Forms

## Range of Possibilities Includes:

- **Depot provides articles and/or services to industry**
- **Industry leases depot equipment and/or facilities**
  - **Performs work for either the public or private sector**
- **Worksharing arrangements**
- **Teaming arrangements where depot and industry jointly contract with a Program Manager**

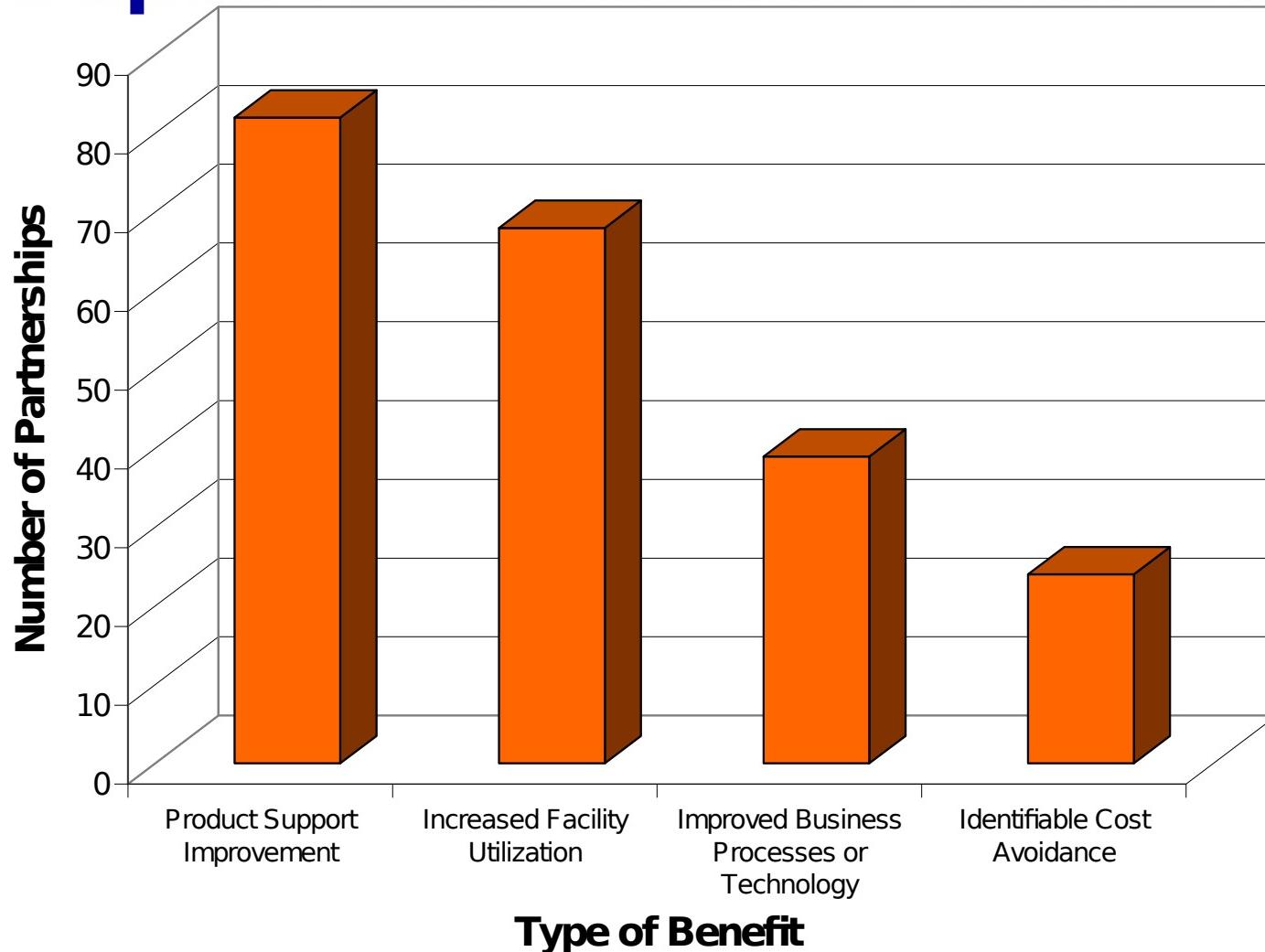


# Distribution by Type of Partnership Arrangement





# Benefits Are Being Realized From Depot Maintenance Partnerships





# "Stryker" Vehicle

## Partners

Anniston Army Depot  
General Dynamics Land  
Systems

## Scope

Stryker Vehicle Assembly





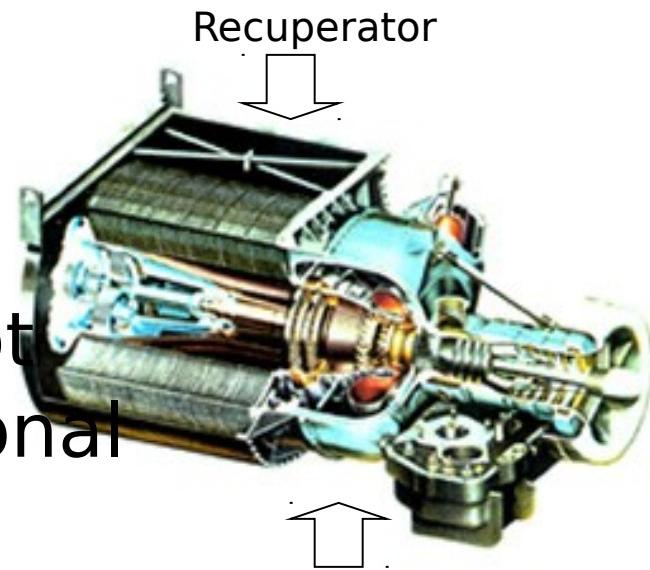
# AGT 1500 Recuperator

## Partners

Anniston Army Depot  
Honeywell International

## Scope

Recuperator Manufacturing



AGT 1500  
Engine

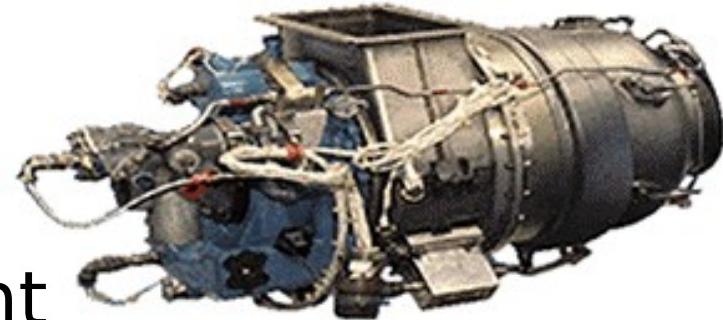


# Auxiliary Power Units

## Partners

NADEP Cherry Point

Honeywell  
International  
CAT Logistics



## Scope

Repair of APUs and  
field technical support



# F/A-18E/F

## Integrated Readiness Support Teaming (FIRST)



### Partners

NADEPs (3)

Boeing Military Aerospace Support

### Scope

NADEPs provide depot repair  
for unique components



# JSTARS

## Joint Surveillance Target Attack Radar System

### Partners

Warner Robins Air Logistics Center  
Northrop Grumman

### Scope

Repair and maintenance of:

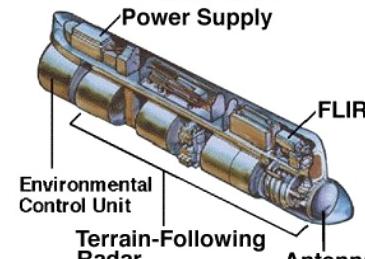
- Prime mission equipment
- Ground support systems
- Software



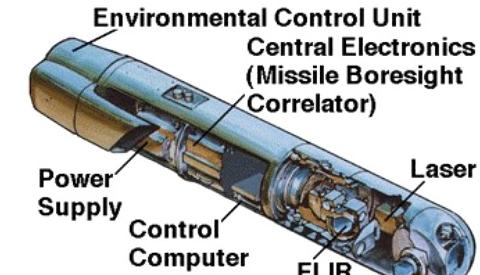


# LANTIRN

Low Altitude Navigation and Targeting Infrared for Night



Navigation Pod AN/AAQ-13



Targeting Pod AN/AAQ-14

## Partners

Warner Robins Air Logistics Center

Lockheed Martin  
**Scope**

On-Site Repair and Maintenance of:

- Shop-Replicable Units (by WR-ALC)
- Line-Replaceable Units (by LM)
- Complete Pods and Modules (by LM)



# B-2 Composites

## Partners

Ogden Air Logistics Center  
Northrop Grumman



## Scope

Manufacture and repair of

- Composites
- Low-observable components



# Conclusion

## ***Partnering Can be a Winning Strategy for All***

- ❖ **Win for Warfighter**
  - A Weapon System—Ready When Needed
- ❖ **Win for Acquisition Offices**
  - Single-Point Accountability to Maximum Extent Practicable
  - Optimum Solutions for Weapon System Balanced with Overall Service Objectives
- ❖ **Win for Industry**
  - Utilization of Existing & New Organic Investments
  - Profits / Reputation Associated With Partnerships
- ❖ **Win for Organic Maintenance Depots**
  - Worldwide Maintenance Quality



**For Further Information About Partnering, Go  
To:**

[http://www.acq.osd.mil/log/logistics\\_materiel\\_readiness/organizations/mppr/html/dmp.htm](http://www.acq.osd.mil/log/logistics_materiel_readiness/organizations/mppr/html/dmp.htm)

# **Reference Charts**

**- Authorities and Additional Examples -**



# General Themes of Partnering Authorities

- ❖ **Partnerships can exist without statutory authority**
- ❖ **Statutory authorities have restrictions, conditions**
- ❖ **Depot involvement generally supports**
  - Existing DoD contracts or
  - Goods/services not available in private sector
- ❖ **Generally, government will not compete with private sector**
- ❖ **In some cases proceeds reimburse the DoD account incurring partnership-related costs**



# Authorities

- 10 USC 2208(j)** **Sale of articles and services outside DoD by Working Capital-Funded activities**
- 10 USC 2474** **Establishes Centers of Industrial and Technical Excellence (CITEs) and partnering authorities**
- 10 USC 2539b** **Sale of services for testing of materials, equipment computer software, & other items**
- 10 USC 2563** **Sale of articles and services by industrial facilities (other than 10 USC 4543)**
- 10 USC 2667** **Leasing of non-excess facilities and equipment**
- 10 USC 4543** **Sale of articles and services by facilities that manufacture cannons, gun mounts, etc.**



# Authorities (continued)

**10 USC 7300**

**Naval shipyard sale of articles and services for fulfillment of contracts for nuclear ships.**

**22 USC 2754**

**Sale or lease of articles and services to friendly foreign countries**

**22 USC 2770**

**Sale of articles and services to a U.S. company for incorporation into end items to be sold to friendly foreign countries**

**FAR 45.3**

**Permits provision of government-furnished material, facilities and equipment to contractors**

**FAR 45.4**

**Provides for contractor use and rental of government property**



# Army Examples

- **M1/M1A2 Upgrade at Anniston with General Dynamics**
  - Disassemble, hull upgrade, turret demil, overhaul of subassemblies & components - Ship to Lima OH
- **Firefinder Block II Program at Tobyhanna with Raytheon**
  - Design, fabricate, & integrate prime power group & vehicle communications
- **Multiple Launch Rocket System M270A1 at Red River with Lockheed Martin**
  - Overhaul vehicle and ship to L-M for integration of upgrades
- **M1 Recuperator Facility Use at Anniston by Honeywell**
  - Provide 30K sqft of former warehouse space to Honeywell for



# Navy Examples

- **F/A-18E/F Components at All Naval Air Depots with Boeing**
  - Performance based logistics with organic depots providing repair services
- **Auxiliary Power Unit - Direct Vendor Deliver at Cherry Point with Honeywell**
  - Repair of items and field team support
- **Amphibious Assault Vehicle - RAM & Rebuild to Standard at Albany with United Defense**
  - Disassemble vehicles, ship bare hulls to United Defense for modification, upon return finish rebuild
- **AV-8B Remanufacture Program at Cherry Point with Boeing-BAE Team**
  - Disassemble aircraft & reuse/refurbish components for stock



# Air Force Examples

- **C-17 Structures and Avionics at Warner-Robins with Boeing**
  - Identify hidden defects, deteriorating conditions, corrosion, fatigue, overstress, & other structure conditions
- **JSTARS Total System Support Responsibility at Warner-Robins with Northrop Grumman**
  - Provide repair of prime mission equipment, software support, and backshop functions
- **B-2 Composite Manufacture & Repair at Ogden with Northrop Grumman**
  - Manufacture and repair of composite & low observable components
- **LANTIRN Phase I at Warner-Robins by Lockheed Martin**